

**SEPARATE STATEMENT OF
COMMISSIONER JONATHAN S. ADELSTEIN**

Re: Report and Order in the Matter of Service Rules for Advanced Wireless Services in the 1.7 GHz and 2.1 GHz Bands

Today is a banner day for wireless service in the United States. By adopting service and technical rules for Advanced Wireless Services in the 1.7 and 2.1 GHz bands, we are moving a step closer to seeing a new generation of wireless services in this country, including the so-called third generation or 3G mobile systems. I think our item represents just the right framework for further innovation in the wireless arena by promoting continued industry development while employing a light regulatory touch.

Determining a band plan is an inexact science, at best. I believe that the Commission should continue to improve the availability of spectrum to those providers who want to serve smaller areas. Though, we have been making great strides in this area recently through such work as our rural wireless NPRM and our secondary markets proceeding.

I have been concerned that large license areas raise auction prices so high that many companies that want to serve smaller areas cannot even afford to make a first bid. Large service areas also can have the effect of creating swaths of fallow spectrum in areas outside of our nation's populated service areas. Licensees, no matter how large their service areas are, understandably focus their resources on serving the more-populated metropolitan areas.

I certainly recognize that there is value in offering larger service areas for economies of scale and to facilitate larger scale deployments. Indeed, one of the noteworthy developments of the wireless industry over the past several years is the development of the so-called "nationwide" carriers. However, I believe we should find a balance in developing a band plan, and I am pleased to note that a diverse group of commenters in this proceeding supported different sizes of license areas for different blocks of the spectrum.

I believe we got the balance right here. I am especially pleased that the band plan we adopt today not only provides for several licenses to be available on a Regional Economic Area Grouping basis, but also provides for a 2x5 MHz block of spectrum on a RSA/MSA basis and a 2x10 MHz block of spectrum on an Economic Area basis.

In providing a balance of smaller and larger areas, we hopefully offer something for everyone.

Finally, I also am pleased to support the technical and service rules that are in this item. In combining the flexibility of Part 27, with the proven technical rules of Part 24, I believe that we have put in place just the right regulatory framework. I said back in April that our PCS service rules should prove a model for our future regulatory efforts for licensed mobile services, and am pleased to support this aspect of our item today.